



**Matthew G. Bevin**  
Governor

**COMMONWEALTH OF KENTUCKY**  
**TRANSPORTATION CABINET**  
Frankfort, Kentucky 40622  
[www.transportation.ky.gov/](http://www.transportation.ky.gov/)

**Greg Thomas**  
Secretary

**CONSTRUCTION MEMORANDUM**

**No. 01-2017**

**TO:** Chief District Engineers  
TEBMs for Project Delivery and Preservation  
Section Engineers

**FROM:** Ryan Griffith, P.E. *RCG*  
Director, Division of Construction

**DATE:** March 28, 2017

**SUBJECT:** Subcontracting requirements

This memorandum is reiterate the requirements of Standard Specification 108.01 which says:

*“Do not subcontract, sell, transfer, assign, or otherwise dispose of the Contract or any portion of the Contract or Contracts, or of the right, title, or interest therein, without the Engineer's written consent. If the Contractor chooses to subcontract any portion of the Contract, a written request to sublet work must be submitted on the Subcontract Request (TC 63-35) form for the Engineer's approval.”*

Therefore, there should be no subcontractors working on a project without an approved subcontract. This is important to insure the company has the capacity and means to perform the work. Also, an approved subcontract means the other requirements have been met (i.e. the prime must perform, at least, 30% of the contract themselves and no subcontractor can perform more work, in terms of dollars, than the prime contractor). The simplest way to know if a subcontractor is approved to work is to look in SiteManager. If you have questions about a particular subcontract, please contact the Division of Construction.

In addition, the Central Office construction staff will begin next month checking federal projects for contractor payrolls in ProjectWise before processing the bi-weekly progress payments. The DWR records of all contractors working on the project must be accurate for this check. Unapproved subcontractors will not be able to be selected on DWR's and approved subcontractors



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cannot be selected on DWR's dated prior to the date of their subcontract approval. This is another reason it is very important to have only approved subcontractors performing work on the project.

Any work performed prior to having an approved subcontract will not be eligible for payment. It is ultimately the contractor's responsibility to comply with the terms of the contract including the Standard Specifications.

If you have any questions, please contact the Division of Construction.

C: KAHC  
PAIKY  
Jason Siwula  
Andy Barber  
Patty Dunaway

RCG:aca

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